

 <div style="text-align: center;"> STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES </div> <div style="text-align: center; font-size: 1.5em; font-weight: bold;">Policy and Procedure</div>		POLICY AND PROCEDURE NUMBER <div style="text-align: center; font-weight: bold;">06.04.020</div>	PAGE <div style="text-align: center;">1 of 2</div>
		EFFECTIVE DATE <div style="text-align: center;">May 20, 1992</div>	
SUBJECT <div style="text-align: center; font-weight: bold;">Revenue Collections and Bad Debt Write-Off</div>		SUPERSEDES	DATED
TITLE <div style="text-align: center; font-weight: bold;">Finance</div>	CHAPTER <div style="text-align: center; font-weight: bold;">Revenues</div>	APPROVED BY	

PURPOSE

To establish a policy governing revenue and other money collection and bad debt write-off relative to business activities conducted by this department.

POLICY

It shall be the policy of this department:

- To vigorously pursue the collection of monies owed to it. This effort will include the maintenance of up-to-date files, prompt billings of money owed and active pursuit of delinquent accounts.
- To record all initial revenue billing and collection activity in the appropriate accounting subsystem (unless specifically exempted by Headquarters finance) with posting of all activity to the state accounting system on a regular basis.
- To take whatever prudent steps are necessary to collect all monies owed to it and, if necessary, to cancel any and all involvement with state agencies, the private sector or non-state agencies who do not pay promptly.
- To deposit all revenues received into the State Treasury on the day they are received except in unusual cases. In no case will revenues be held for more than three days before deposit.
- To charge interest on all accounts greater than 30 days past due. Excluded from interest accrual shall be other state agencies, the federal government and organized municipalities or local governments.
- To write off uncollectible accounts received in a timely manner in accordance with the state administrative manual.

AUTHORITY

AAM 45.010 through AAM 45.070

USE

This policy is intended to be used in conjunction with procedures which are issued through the Financial Management Operations Manual (FMOM), and supersedes all previous accounts receivable policies and FMOM's relating to revenue collection and bad debt write-off.

IMPLEMENTATION RESPONSIBILITY

The Director of Administrative Services Division, Regional Finance Officers, Accounts Receivable Supervisors and Rural Airport Leasing Officers.